GOVERNMENT OF INDIA
TEXTILES
LOK SABHA

UNSTARRED QUESTION NO:2907
ANSWERED ON:02.08.2002
EXIM STUDY ON INDIAN SILK
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Will the Minister of TEXTILES be pleased to state:

(a) whether the EXIM Bank has recently conducted a study on the Indian Silk industry suggesting large scale Silk production through participation of corporates / overseas investors;

(b) if so, the details thereof and the action taken by the Government in this regard;

(c) whether the Indian Silk Export Promotion council has made any projections on growth of silk exports for the coming five years;

(d) if so, the details thereof; and

(e) the strategy made by the Government in this regard?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF TEXTILES(SHRI BASANAGOUDA R. PATIL (YATNAL)

(a)&(b) Yes, Sir. The main strategies and recommendations made by EXIM Bank in its study report are summarized below :-

In order to achieve large scale sericulture production (improved productivity and high quality) and to improve exports of silk goods as well as raw silk, India has to lay more emphasis on scientific ways of improving silk productivity and quality.

The efficiency in silk production can be achieved by planting high yielding mulberry varieties and rearing highly productive bivoltine hybrids.

Technological breakthrough has also to be achieved in the areas of silkworm rearing, reeling, silk throwing and dyeing stages of silk manufacture so as to achieve the production of high quality silk.

Large scale production would be possible by encouraging corporate and foreign investment in this industry. India could adopt the Chinese model for corporatizing Indian silk industry.

Adoption of eco-parameters as identified by many European countries would ensure safety and reliability of textiles.
Product diversification is another area through which higher export growth could be achieved.

As regards marketing, there is need for an international campaign for promotion of silk products. Exclusive brand promotion for Indian silk is very important for assurance of better quality silk to the international customers.

The recommendations have been duly noted. The X Plan strategy and plans of the sericulture sector are already along the lines recommended
(c) & (d) Projection has been made by the Council for the next five years on the basis of the past performance and their assessment of likely growth @ 15% p.a.
(e) The Government is taking several steps to increase the export of silk products -

(i) The Government is providing assistance to the Indian Silk Export Promotion Council, Mumbai for undertaking various export promotion activities such as participation in international fairs, organizing generic promotion stalls in domestic fairs like TexStyles India, Publicity in foreign trade magazines, publication of magazine `Silk India` and colour forecast card for domestic silk manufacturers, dissemination of overseas trade information among exporters, etc.

(ii) For Technological up-gradation of the industry loan at 5% point less than applicable interest rate, under the Technological Up-gradation Fund Scheme for the Textiles sector is available inter alia to the silk sector.

(iii) Import of raw silk has been liberalized by being brought under OGL, which has increased availability of good quality silk.

(iv) Input of specified machinery items of silk industry required for reeling, weaving, twisting, processing and printing has been allowed

at concessional customs duty of 10%. The import of spare parts for maintenance of such machinery is also permitted at concessional customs duty of 10%.

(v) value addition/input-output norms have been rationalized

(vi) Govt. have initiated a production programme of high quality of bivoltine silk to improve quality of Indian silk to international standards and its productivity & cost competitiveness. Programmes are being implemented to improve technologies at all stages of the process of silk development, and diversify products with inputs for improvement of looms and designs such that they may expand the export share of the country.